



**STATE OF WISCONSIN**  
**Department of Employee Trust Funds**  
**Robert J. Conlin**  
SECRETARY

801 W Badger Road  
PO Box 7931  
Madison WI 53707-7931  
  
1-877-533-5020 (toll free)  
Fax (608) 267-4549  
TTY (608) 267-0676  
<http://etf.wi.gov>

# Information Technology (IT) Strategic Plan Update Fiscal Year 2018

Prepared March 2017

## 1. Top Five IT Goals

The Department of Employee Trust Funds administers the WRS, the group health insurance program for state employees and many local governments, and a variety of other public employee benefit programs. The WRS is the 9<sup>th</sup> largest pension system in the nation and ETF's largest program, providing retirement benefits for more than 620,000 current and former state and local government employees on behalf of more than 1,500 employers. Participants include current and former employees of Wisconsin's state agencies and most local governments other than the City of Milwaukee and Milwaukee County. The agency is overseen by an independent governing board, and WRS trust funds are held on behalf of ETF benefit program members and employers.

ETF is in the middle of integrating its benefits administration systems and modernizing its business processes. The name of this enterprise-wide initiative or "portfolio" of projects is TIM, which stands for Transformation, Integration and Modernization. The goal of the TIM initiative is to implement modern, professional benefits administration technology along with business process improvements to more efficiently and effectively serve our members and participating employers. This multi-year effort will integrate 17 siloed and antiquated systems into a new benefits administration system (MyETF). Successful implementation will enable ETF to do the following:

- i. meet the significant growth in demand for ETF services with limited need for additional staff;
- ii. meet the growing demand for online services;
- iii. increase operational efficiency;
- iv. achieve overall improvement in customer service; and
- v. reduce long-term administrative costs for public employers throughout the state.

The TIM project, spanning from 2012 to 2019, will enable ETF to offer enhanced online member and employer services and maximize the capacity for handling an increasing number of annuitants. This major initiative is essential for the proper administration of the WRS and the other employee fringe benefit programs ETF administers. At the conclusion of this project, all business functions for members and employers will be available online.

### Strategies

The Department's 2015-2019 strategic plan includes the following goals:

- 1) Maintain compliance with industry financial and accounting standards, federal and state laws, agency rules, policies and procedures.
- 2) Administer program benefits and services that are sustainable for our members and employers.
- 3) Employ business practices that incorporate documentation, testing, evaluation, and risk management.

ETF IT Strategic Plan Update  
Fiscal Year 2018  
Prepared March 2017

- 4) Expand metric-based decision making to contain costs, maximize quality, and add value for our customers.
- 5) Optimize business processes and systems that must be integrated, secure, and flexible.
- 6) Develop and implement a secure, intuitive benefits administration system that empowers our customers to access online benefits information and self-service tools.
- 7) Provide information and education, accessible services, and interactive communications to meet customers' needs.
- 8) Foster a diverse and skilled workforce that is adaptive, collaborative, forward-thinking, accountable, and productive.

#### IT Plans

As described above, the Department continues to work on replacing all of its line-of-business legacy applications with a purchased public employee benefits administration system (BAS). Over three years ago, ETF signed a contract with Vitech Systems Group to implement their V3 system to meet all of ETF's line-of-business processing needs.

In November of 2015, the first of three rollouts went live. In October of 2016, a V3 framework upgrade went live that provided a platform/architecture uplift, while also providing several bug fixes. Currently, ETF, Vitech and DET have been working on Rollout 2, which is scheduled to go live in January of 2018. Rollout 3 will follow. The BAS project is tentatively targeted to conclude in 2019.

At the time of this plan, ETF's IT shop has migrated 85% of our commodity IT infrastructure and operational services to DET. When this transition is fully completed, our goal will be to maximize the value we provide to our internal business partners and external customers. To this end, we will focus on more proactive use of technology, better efficiencies and IT staff development to retool our skills as we focus on future state core competencies. One of the keys to this transition will be a clear focus on becoming trusted business allies throughout the department.

ETF is also focusing on more proactively elevating our information security controls and defenses. To ensure that we realize this goal, a Chief Information Security Officer (CISO) will be hired soon and the information security function will be elevated in the agency, reporting to the Division Administrator of Management Services, with oversight by the executive leadership and key management via the Transformation, Integration and Modernization (TIM) Steering Team.

In SFY18, ETF's top Five IT goals are:

- 1) BAS
  - a. BAS Rollout 2, which is currently scheduled to go-live in January 2018. Rollout 2 is focused on functionality for benefit processing, employer reporting, and limited member access. It will include

ETF IT Strategic Plan Update  
Fiscal Year 2018  
Prepared March 2017

significant bridging and interfacing between ETF legacy systems and the new BAS application.

- b. Continue our Data Integrity project to profile and prepare our legacy data for conversion to BAS.
- 2) Support key business initiatives at ETF, particularly in the Office of Strategic Health Policy and the process management efforts in the Division of Trust Finance.
- 3) Enhance overall ETF cyber-security through various projects and initiatives.
- 4) Rollout Office 365 and Voice over IP (VoIP) throughout the agency prior to the ETF office move to Hill Farms.
- 5) More proactive use of technology and automation, business process optimization, and innovation, to achieve higher value business outcomes.

At the time of the writing of this plan, ETF has not yet begun budget planning for SFY18. An estimate of ETF's IT-related expenditures for SFY18, using the FY17 budget as a basis, is approximately \$18M.

This number includes compensation for agency staff in IT job classifications in our internal IT bureau and our Office of Enterprise Initiatives, but not the staff in IT job classifications located in other parts of the organization. The estimate includes DET charges for mainframe, infrastructure hosting, network and other services, plus new hardware, software, VMS contractors, IT-related training and travel, and vendor costs associated with our TIM initiatives. This number also reflects the estimated charges for STAR as they are still being estimated.

## 2. Agency Projects

|   |  |   |   |
|---|--|---|---|
| 1) Project Name: <b>Transformation, Integration, Modernization (TIM) – Benefits Administration System (BAS)</b>   |  |   |   |
| 2) Project Type: <input type="checkbox"/> New FY17 <input checked="" type="checkbox"/> Ongoing  |  |   |   |
| 3) Project Description:<br><br>ETF will replace all its line-of-business computer applications with the Vitech V3 benefit administration system. This five-year project will be completed in three rollouts: 1) Imaging, workflow, & document management; 2) CRM, Employer portal & reporting & administration functionality; 3) Benefits administration, & member portal. This system will interface with STAR. ETF is hosting this system at DET. |  |   |   |
| 4) Project Schedule   | Start: March 2014                                | Completion: ~2019   |   |
| 5) Application Platform:  | <input type="checkbox"/> Mainframe               | <input type="checkbox"/> Windows Multi-Tier                     | <input type="checkbox"/> Client-Server                                  |
|   | <input checked="" type="checkbox"/> Web Internet | <input type="checkbox"/> Web Intranet                           | <input type="checkbox"/> Physical                                       |
|   | <input type="checkbox"/> Consolidated            | <input type="checkbox"/> Co-located                             | <input type="checkbox"/> Virtual  |
| 6) Application Type:  | <input type="checkbox"/> State Developed         | <input type="checkbox"/> SaaS                                   | <input type="checkbox"/> Transfer                                       |
|   | <input checked="" type="checkbox"/> COTS         | <input checked="" type="checkbox"/> Vendor (DET) Managed/hosted | <input checked="" type="checkbox"/> Other (specify) Consulting services |

ETF IT Strategic Plan Update  
Fiscal Year 2018  
Prepared March 2017

|  |   |
|--|---|
| 7) Technical Architecture Components: Vitech's V3 BAS is a purchased system that requires extensive configuration and some customization. Major technologies are Java and Oracle Database. Most of the functionality is proprietary to Vitech. |   |
| 8) Estimated Total Project Hours: <b>4 Years + 1 Year Warranty</b>   | 8a.) Estimated Total Project Cost: <b>\$28.5M</b> |
| 9) Related Projects and Dependencies: <b>Data Integrity, FMIS</b>  |   |
| 10) Is this a High-Profile Project? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (If Yes, complete information below.)  |   |
| Executive Sponsor: Bob Conlin  | Division: Office of the Secretary                 |
| Business Sponsor: TIM Steering Team  | Division: Enterprise                              |
| Senior Project Manager: Bob Martin   | IT Authority: Steve Mueller                       |
| Is Full Funding for Project Approved/Secured? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  |   |
| Funding Source for the Project: <input type="checkbox"/> GPR \$ _____ <input type="checkbox"/> PR \$ _____ <input checked="" type="checkbox"/> SEG \$28.5M   |   |
| <input type="checkbox"/> FED \$ _____  |   |
| 11) Issues that may influence successful execution of the project:<br><b>See 9. Issues below</b>   |   |

|   |  |   |   |
|---|--|---|---|
| 1) Project Name: <b>Transformation, Integration, Modernization (TIM) - Data Integrity</b>   |  |   |   |
| 2) Project Type: <input type="checkbox"/> New FY17 <input checked="" type="checkbox"/> Ongoing  |  |   |   |
| 3) Project Description: ETF has contracted via a RFP with ICON Technologies to profile, cleanse, and assist with the conversion and migration of all legacy line-of-business data to the new BAS. |  |   |   |
| 4) Project Schedule   | Start: January 2013                      | Completion: Commensurate with the final phase of the BAS implementation – May, 2019 |   |
| 5) Application Platform:  | <input type="checkbox"/> Mainframe       | <input type="checkbox"/> Windows Multi-Tier   | <input type="checkbox"/> Client-Server  |
|   | <input type="checkbox"/> Web Internet    | <input type="checkbox"/> Web Intranet   | <input type="checkbox"/> Physical   |
|   | <input type="checkbox"/> Consolidated    | <input type="checkbox"/> Co-located   | <input type="checkbox"/> Virtual  |
| 6) Application Type:  | <input type="checkbox"/> State Developed | <input type="checkbox"/> SaaS   | <input type="checkbox"/> Transfer   |
|   | <input type="checkbox"/> COTS            | <input type="checkbox"/> Vendor Managed/hosted                                      | <input checked="" type="checkbox"/> Other (specify) _____ Consulting services |
| 7) Technical Architecture Components:   |  |   |   |
| 8) Estimated Total Project Hours:   |  | 8a.) Estimated Total Project Cost: <b>\$6.7M</b>                                    |   |
| 9) Related Projects and Dependencies: <b>Required for the data conversion to the BAS</b>  |  |   |   |
| 10) Is this a High-Profile Project? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (If Yes, complete information below.)   |  |   |   |
| Executive Sponsor: Bob Conlin   |  | Division: Office of the Secretary   |   |
| Business Sponsor: TIM Steering Team   |  | Division: Enterprise  |   |
| Senior Project Manager: Bob Martin  |  | IT Authority: Steve Mueller   |   |
| Is Full Funding for Project Approved/Secured? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No   |  |   |   |
| Funding Source for the Project: <input type="checkbox"/> GPR \$ _____ <input type="checkbox"/> PR \$ _____ <input type="checkbox"/> SEG \$6.7M _____  |  |   |   |
| <input type="checkbox"/> FED \$ _____   |  |   |   |
| 11) Issues that may influence successful execution of the project:<br><b>See 9. Issues below</b>  |  |   |   |

ETF IT Strategic Plan Update  
Fiscal Year 2018  
Prepared March 2017

|   |  |   |  |
|---|--|---|--|
| 1) Project Name: <b>ETF Infrastructure Rehosting (ETFIR) to DET</b>   |  |   |  |
| 2) Project Type: <input type="checkbox"/> New FY17 <input checked="" type="checkbox"/> Ongoing  |  |   |  |
| 3) Project Description: ETF is moving all its IT infrastructure to DET's data centers and taking advantage of DET's hosting services.                           |  |   |  |
| 4) Project Schedule   | Start: June 2014                                 | Expected Completion: May-June 2017  |  |
| 5) Application Platform:  | <input type="checkbox"/> Mainframe               | <input checked="" type="checkbox"/> Windows Multi-Tier                                  | <input type="checkbox"/> Client-Server                             |
|   | <input checked="" type="checkbox"/> Web Internet | <input checked="" type="checkbox"/> Web Intranet  | <input type="checkbox"/> Physical                                  |
|   | <input checked="" type="checkbox"/> Consolidated | <input type="checkbox"/> Co-located   | <input checked="" type="checkbox"/> Virtual                        |
| 6) Application Type:  | <input type="checkbox"/> State Developed         | <input type="checkbox"/> SaaS   | <input type="checkbox"/> Transfer                                  |
|   | <input type="checkbox"/> COTS                    | <input type="checkbox"/> Vendor Managed/hosted  | <input type="checkbox"/> Other (specify) _____ Consulting services |
| 7) Technical Architecture Components: Windows, Linux, WebSphere, SQL, etc.  |  |   |  |
| 8) Estimated Total Project Hours:   |  | 8a.) Estimated Total Project Cost: <u>\$880K</u>  |  |
| 9) Related Projects and Dependencies: This project timeline is set so as to avoid any conflicts with other major initiatives such as BAS (and previously STAR). |  |   |  |
| 10) Is this a High-Profile Project? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (If Yes, complete information below.)                   |  |   |  |
| Executive Sponsor: Dana Perry   |  | Division: Management Services   |  |
| Business Sponsor: TIM Steering Team   |  | Division: Enterprise  |  |
| Senior Project Manager: Raffi Mesdjian  |  | IT Authority: Steve Mueller   |  |
| Is Full Funding for Project Approved/Secured?   |  | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No                     |  |
| Funding Source for the Project: <input type="checkbox"/> GPR \$ _____   |  | <input type="checkbox"/> PR \$ _____ <input type="checkbox"/> SEG \$ _____ \$880K _____ |  |
|   |  | <input type="checkbox"/> FED \$ _____   |  |
| 11) Issues that may influence successful execution of the project:<br><b>See 5. Issues below</b>  |  |   |  |

### 3. Potential Agency Projects

|   |
|---|
| There are no ETF upcoming projects that could meet the \$1M-or-more cost threshold. |
|---|

### 4. IT Infrastructure Projects or Expenditures

1. ETF is in the third and final year of our Microsoft Enterprise Agreement (EA). This agreement will expire in May of 2017, at which time ETF will begin our project to migrate to Office 365. Our expected annual cost for Office 365 is about \$135,000.
2. ETF is moving to a mobile-first strategy and moving from desktop PC's to laptops and tablets. We will be replacing devices about every 3-4 years to ensure that we have the latest technology and performance in the hands of our staff. The expected annual cost of this strategy is \$150,000-\$165,000/annually.

**5. ETF Plan to participate in the Active Directory Migration Project**

The last main ETFIR subproject (see last project above in #2) is our Active Directory Migration. This will move ETF from our current Active Directory domain to the enterprise domain. This is expected to be completed no later than the end of SFY17.

**6. ETF Plan to enhance the agency's cybersecurity position**

Over the past year, ETF has made several enhancements to our information security posture. We have purchased a cyber liability insurance policy, completed a security test of our new BAS application, and hired two additional contractors to greatly increase the depth of our core information security team. We have also requested three new security FTEs from the Legislature.

ETF has several efforts underway to increase our cyber-security posture:

- a. We are elevating the information security function in the agency to report at the Division level.
- b. We are hiring a Chief Information Security Officer (CISO) who will oversee our information security efforts going forward.
- c. We are following DET's lead and working on an overall security strategy and roadmap that quantifies our level of risk and security, based on industry specifications and standards.
- d. We plan to implement multi-factor authentication at the device level for all ETF staff by mid calendar year 2017.
- e. We plan to continue to utilize enterprise security awareness training for all ETF users and business partners.

**7. ETF has completed an assessment of our application portfolio**

- ☐ Not Started
- ☐ In Progress / Estimated Completion Date:
- ☒ Completed (please send a copy with your IT Plan submission)

\*See attached.

**8. Additional Issues & Activities**

In fiscal year 2018 ETF will continue to assess business intelligence and data warehouse technologies and solutions, with a close eye on DET enterprise offerings.

Issues that may impact the successful execution of our agency IT plan are:

1. Inadequate internal staffing to meet demands (business and IT resources);
2. Staff turnover, finding and retaining talent
3. State and/or federal legislative changes affecting our programs

ETF IT Strategic Plan Update  
Fiscal Year 2018  
Prepared March 2017

4. Workload increases due to an increase in participants seeking benefits and services
5. Department of Administration Division of Enterprise Technology (DET) priorities requiring ETF IT managers and staff resources, DET rates and DET resource availability to work on ETF's priority initiatives

Please contact Steve Mueller, CIO/IT Director, at 608-266-3960 if you have any questions.